

**MINUTES OF THE
TRANSPORTATION & ENVIRONMENTAL QUALITY
APPROPRIATIONS SUBCOMMITTEE
Room 414/416, State Capitol
Monday, February 10, 2003**

MEMBERS PRESENT: Sen. Dan Eastman, Co-Chair
Rep. Don E. Bush, Co-Chair
Sen. Dave Thomas
Rep. Neil A. Hansen
Rep. Ann W. Hardy
Rep. Neal B. Hendrickson
Rep. Todd E. Kiser
Rep. Joseph G. Murray
Rep. Merlynn T. Newbold

MEMBERS ABSENT: Sen. Mike Dmitrich
Sen. Michael Waddoups
Rep. Jeff Alexander

STAFF PRESENT: Mark C. Bleazard, Fiscal Analyst
Rachel Error, Committee Secretary

Chair Bush called the meeting to order at 2:18 p.m.

Department of Transportation - Engineering Services

The Engineering Services Program of the Department of Transportation is responsible for developing Utah highways from an idea stage through the planning and engineering stages. The recommended FY04 appropriation is \$22,922,400 with a FTE of 266 for Engineering Services.

Mark Bleazard, Fiscal Analyst, discussed the Location Reference Engine Systems Development. It is anticipated that this Location Reference Engine System will require three years to develop at a cost between \$1 and \$1.5 million. The Analyst is recommending \$800,000 of one-time Transportation Funds in FY04 to initiate phase two of this project.

It is recommended that a one-time expenditure in FY04 of \$243,000 from the Transportation Fund be appropriated to purchase a specialized camera, centralized image server and software to further enhance the Photolog Imaging system.

The Analyst recommends that an operating budget of \$2,061,500 be appropriated for the Safety Operations program of the Engineering Services Division. This includes funding for 31 FTEs. The Safety Operations program is responsible for installing or modernizing the traffic signals.

The function of the Traffic Safety section is to see that the statewide highway system meets the

traffic control specifications set up by the Federal Highway Administration. A FY04 operating budget of \$2,054,800, with a complement of 31 FTEs is recommended for the Traffic Safety program.

It is recommended that \$7,512,600 be appropriated for Program Development in FY04 with a complement of 67 FTEs. The one-time appropriation of \$800,000 for the Location Reference Engine Systems Development is also included in this recommendation as well as the funding for the Photolog Imaging, recommended at \$243,000.

The Analyst recommends a FY04 appropriation for Preconstruction Administration of \$1,051,900. These funds cover personal services and operating expenses of the 13 FTE who operate this program.

An appropriation of \$2,038,800 is recommended for the Structures program of Preconstruction. This recommendation includes funding for 26 FTEs. The Structures Division is responsible for inspecting bridges in the State and maintaining safety standards.

An appropriation of \$3,292,700 with a complement of 39 FTEs is recommended for the Materials Section of the Preconstruction Division. This includes a capital outlay of \$225,000 which is to replace worn and obsolete equipment in the materials lab.

The Analyst recommends a FY04 appropriation for the Research Program of \$1,004,400 with a complement of 9 FTEs. The recommendation also includes \$100,000 to continue to contract with Utah State University.

The Engineering Services Program is part of the Office of Preconstruction and is responsible for standards and specifications, consultant services, project advertisements, and value engineering and special studies. The Analyst recommends a FY04 budget for Engineering Services of \$2,096,300 with a complement of 27 FTEs.

An appropriation of \$1,809,400 with 23 FTEs is recommended for the Right-of-Way Division for FY04.

The Analyst, assisted by John Njord, and Carlos Braceras, responded to questions from committee members.

MOTION: Rep. Hendrickson moved that the committee tentatively recommend \$22,922,400 for the Department of Transportation - Engineering Services for FY04 and adopt the following intent statements:

It is the intent of the Legislature that the Department of Transportation continue to implement the adjustment improvements contained in their Performance Management

Initiative Internal Plan. This plan will continue to be updated and coordinated through the Performance Management Team, with the approval from and implementation directed by the Department's Executive Director.

It is the intent of the Legislature that the Department make a report to the Appropriations Subcommittee for Transportation, Environmental Quality, and Utah National guard prior to the General 2004 Legislative Session, indicating the efficiencies and cost reductions that have been achieved and those that are anticipated as a result of implementing these improvement actions.

It is the intent of the Legislature that the Department of Transportation, in conjunction with these improvement initiatives, be given authorization to adjust the assignment of FTE positions between line items as may be necessary in order to achieve the objectives of this plan. Such reassignments of FTE positions will be included in the report to the Appropriations Subcommittee for Transportation, Environmental Quality, and Utah National Guard and any transfer of funding will be facilitated through a supplemental appropriations request in the 2004 Session.

The motion passed unanimously.

Department of Transportation - B & C Roads

B and C Roads consist of all public roads which are not State or federal roads. An appropriation of \$115,330,900 is recommended for FY04 to be spent on the maintenance or construction of any of the B and C roads. The Analyst notes that the recommended appropriation for the B & C Road System is an estimate only and will be determined by the actual collections in the Transportation Fund. The Analyst responded to questions from committee members.

MOTION: Rep. Hendrickson moved that the committee tentatively recommend \$115,330,900 for the Department of Transportation - B & C Roads for FY04. The motion passed unanimously.

Department of Transportation - Construction

The Construction Program of the Department of Transportation constitutes the largest outlay in the Department. The Analyst recommends an appropriation of \$207,338,100 for the Construction Program for FY04.

The Legislative plan developed in FY98 for the Centennial Highway Program calls for an increase of General Fund expenditure of \$11,000,000 in FY04. The Analyst is not recommending the \$11,000,000 increase at this time.

It is recommended that an appropriation of \$2,489,100 is given to the Construction Management for FY04. Construction Management is the administrative arm of the construction process currently staffed with 14 FTEs. It is noted that 12 FTEs in this budget area are dedicated to moving the Legacy Highway concept forward.

There is no recommendation for an appropriation for the I-15 Team program for FY04.

It is recommended that the Legislature appropriate \$16,848,900 to the Field Crews and Seasonal Pool for FY04. This includes funding for 238 FTEs.

The Analyst recommends an appropriation of \$395,600 with a complement of 6 FTEs for the Civil Rights program for FY04. The Civil Rights Office is responsible for the Department's Equal Employment Opportunity program and the Department of Transportation minority business enterprise program.

An appropriation of \$123,601,500 is recommended for the Highway Rehabilitation/Preservation for FY04.

It is recommended by the Analyst that \$60,358,400 be appropriated for the Federal Highway Construction - New Program in FY04. The recommended appropriation is an estimate only and may increase or decrease depending on the amounts passed by Congress for funding Federal Highway Construction.

An appropriation of \$3,644,600 is recommended for the State Construction - New Program for FY04.

The funding history of the Department of Transportation - Construction was discussed. The Analyst presented a spreadsheet outlining the expenditures and history of the Centennial Highway Program.

MOTION: Rep. Newbold moved that the committee request that the general fund money continue for the Centennial Highway Fund.

SUBSTITUTE

MOTION: Sen. Eastman moved that the vote for the original motion be delayed until the next meeting. The motion passed, with Rep. Kiser voting in opposition.

MOTION: Rep. Hendrickson moved that the committee tentatively recommend \$207,338,100 for the Department of Transportation - Construction for FY04 and the following intent statement:

It is the intent of the Legislature that there is appropriated to the Department of

Transportation from the Transportation Fund, not otherwise appropriated, a sum sufficient, but not more than the surplus of the Transportation Fund, to be used by the Department for the construction, rehabilitation, and preservation of State highways in Utah.

It is the intent of the Legislature that the appropriation fund first, a maximum participation with the federal government for the construction of federally designated highways, as provided by law; next the rehabilitation and preservation of State highways, as provided by law, and last, the construction of State highways, as funding permits.

It is also the intent of the Legislature that the FTEs for field crews may be adjusted to accommodate the increase or decrease in the Federal Construction Program. No portion of the money appropriated by this item shall be used either directly or indirectly to enhance or increase the appropriations otherwise made by this act to the Department of Transportation for other purposes.

The motion passed unanimously.

John Njord, Executive Director of the Department of Transportation, expressed concern over the two ferry boats operating down in Lake Powell. Mr. Njord responded to questions from committee members.

MOTION: Rep. Hardy moved to adjourn the meeting. The motion passed unanimously.

Chair Bush adjourned the meeting at 4:11 p.m.

Rep. Don E. Bush, Co-Chair

Sen. Dan Eastman, Co-Chair